

**CONGRESSMAN SHERWOOD BOEHLERT (R-NY)**  
**OPENING STATEMENT FOR CAFE HEARING**  
**February 9, 2005**

I want to welcome everyone here for this important hearing on fuel economy. This Committee has a special responsibility to review this issue because part of our charge is to ensure that new energy technologies are developed and that they make their way into the marketplace.

And new fuel economy technologies are not making their way into the market, at least not to an acceptable extent, because of market failures and political failures.

Correcting those failures should be of surpassing interest to every citizen of our country because fuel economy is not just an energy issue, it's not just an environmental issue, it is, first and foremost, a national security issue.

Our nation is ever more dependent – startlingly dependent – on the world's most unstable regions for the energy that is the lifeblood of our economy. Could anything be more critical? We are like a patient in critical care who needs a daily transfusion and can only hope to get it from an iffy, black-market supplier.

And yet we act as if we will be healthy forever. We are doing next to nothing to reduce our reliance on foreign oil. About 60 percent of the oil we consume each day is used for transportation; 45 percent of it just for cars and light trucks. We cannot reduce our oil consumption meaningfully unless we address transportation. That is a simple, unarguable fact.

And yet while many areas of the economy have become significantly more energy efficient over the past three decades or so, our nation's fuel economy is worse than it was 15 years ago. That ought to be unacceptable.

It ought to be especially unacceptable – intolerable, really – when we have the technology to improve fuel economy without reducing safety, without harming the economy, and without reducing the options people have in the automobile showroom.

I think we'll learn today that there really is no debate about whether we have the technology we need to improve fuel economy. The only debate is whether we're willing to do something about it, and that we'll hear more of today.

But while we listen to the experts before us today, I want everyone to remember the costs of inaction – they can be measured in dollars, particularly in the funds we spend on the military and homeland security, and they can also be measured in lives, as we can see in daily news reports. We need to consider the very real costs of being utterly dependent on unstable regions to carry out our most basic daily tasks.

I am not arguing, by the way, that we can become entirely energy independent or that fuel economy is the sole answer to our energy woes. That would be silly. We will mark-up a bill tomorrow that reflects the full range of steps we need to take in energy research and development (R&D) to improve our energy profile, and they involve work on energy efficiency and renewable energy but also on fossil fuels and nuclear energy; and they involve supply as well as demand.

But we ought to be doing everything we can to reduce our demand. That's in our national interest. It's an interest we share as a society, but one that is not reflected adequately in individual decisions in the marketplace – a classic market failure that cries out for corrective government action. But the government has not risen to the task, and we are all in greater danger as a result.

We have a very distinguished and balanced panel of experts before us. I'm especially gratified that my old friend, former EPA Administrator Bill Reilly is here to tell us the results of the bipartisan study he co-chaired.

And I'm also very pleased to have Paul Portney with us to review the National Academy of Sciences study that was requested by Congress and that should be the foundation for any discussion of CAFE standards. Unfortunately, the Academy study was released right as the Energy Bill debate was starting four years ago, and it never received the full and fair airing it deserved. Today, with a new Energy Bill debate pending, we have a chance to make up for our previous missed opportunities.

In my view, we need more stringent CAFE standards and we need them now, for the reasons I've discussed. But the exact level and timing of the standards and how the CAFE program should be administered, that's all up for grabs, and I hope we can have a full discussion of those issues today. I look very forward to hearing from our panel.

Mr. Gordon.